

MSHA

FY 2008 Budget Review and Ongoing Activities

Objectives

- Enhancing safety and health of all miners
- Strong and fair enforcement
- Safety training
- Technical solutions

FY 2008 Budget Request

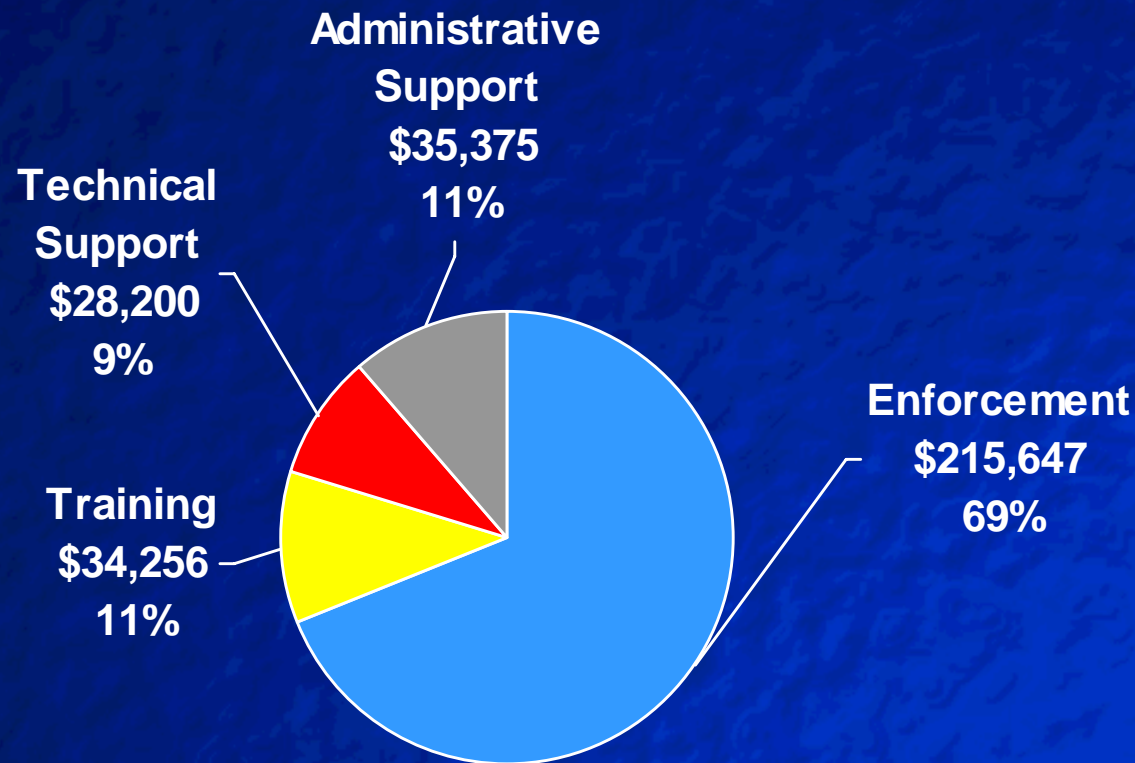
- The President's budget request is:
 - \$313.5 million
 - 13% increase above FY 2007 CR level
 - 2,306 FTE
 - 12% increase above FY 2007 CR level

Budget Specifics

- Increase of \$35.8 million and 244 FTE over FY 2007 which includes:
 - \$16.6 million and 170 FTE to support coal enforcement
 - \$13 million for inflationary increases, i.e. pay raises
 - \$6 million and 74 FTE to restore funds for staff and other inflationary costs that were not provided under the assumed full-year CR level in FY 2007

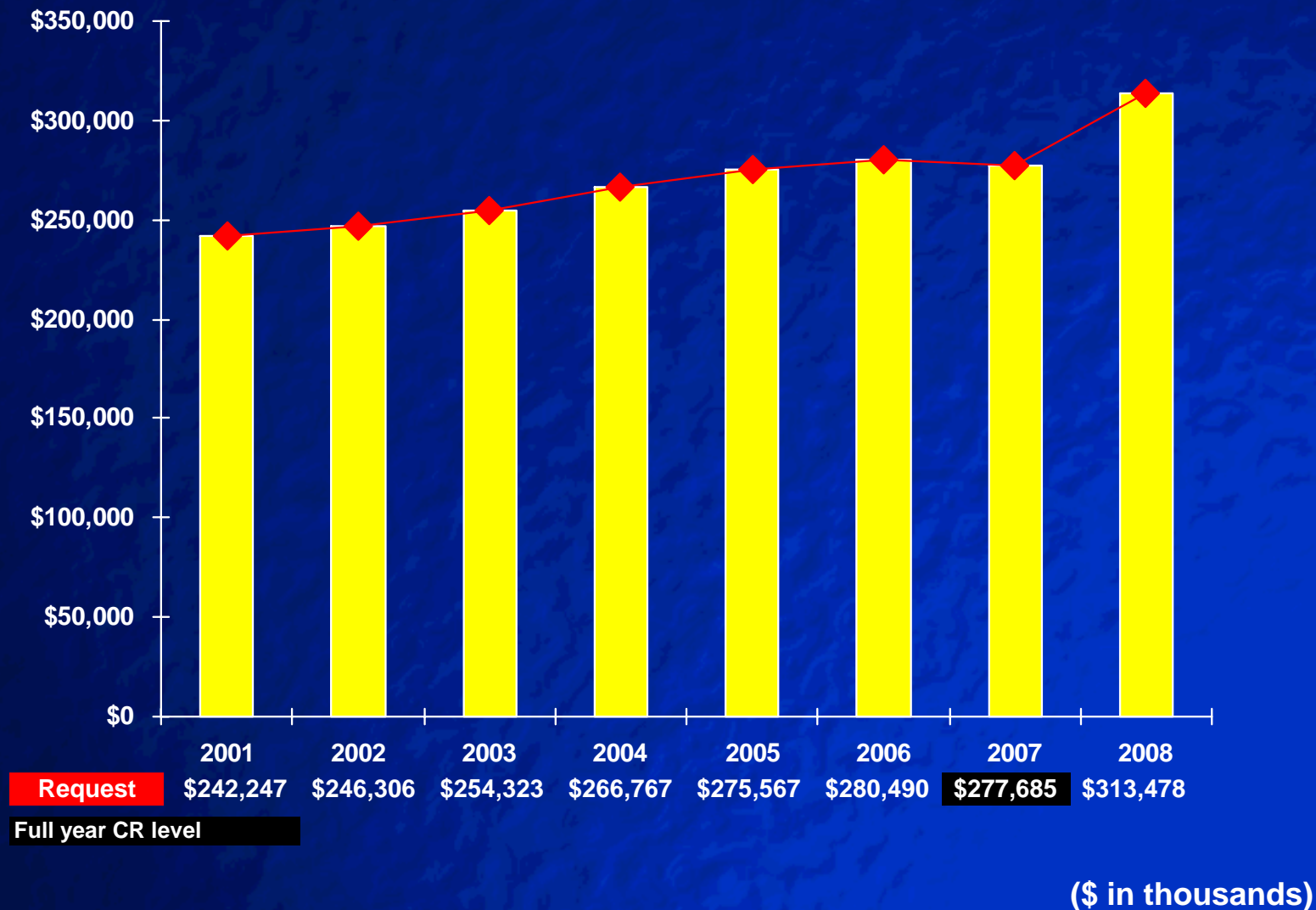
FY 2008 Budget Request

(Dollars in thousands)



MSHA Total Budget Request- \$313.5 million

MSHA's Budget Request FY 2001 - 2008



Current Policy Issues

■ MINER Act Implementation

- Completed Rulemaking
- Completed Action Items
- Current Rulemaking and Policy Development
- Current Action Items

MINER Act Completed Rulemaking

- Emergency Mine Evacuation Final Rule Published, December 8, 2006
 - Additional Self-Contained Self-Rescuers (SCSRs)
 - Immediately reportable accident notification
 - ‘ONE CALL DOES IT ALL’ Toll-free number: 1-800-746-1553
 - Requirement to have flame resistant lifelines within three years
 - Additional training
 - SCSRs
 - Mine evacuation
 - Lifelines

MINER Act Completed Activities

- Emergency Response Plans (ERP)
 - All plans have been submitted to MSHA
 - Program Policy Letters issued providing guidance to operators to help develop ERP's
- Family Liaison Policy
 - Program Policy Letter issued
 - MSHA will train a liaison for each district

MINER Act

Active Rulemaking and Policy Development

- **Post-Accident Breathable Air**
 - MSHA has evaluated comments and is developing policy
 - (to be in place later this month)
- **Sealing of Abandoned Areas**
(Underground coal only)
 - Proposed rule is under development
 - Expected NPRM to be published in Spring 2007
 - On track with MINER Act requirement to publish rule by December 15, 2007

Active Rulemaking and Policy Development Continued

■ Civil Monetary Penalties

- On October 26, 2006, MSHA issued guidance to implement the new “Flagrant Violation” maximum penalty of up to \$220,000
- On September 8, 2006, MSHA published a proposed rule to increase civil penalty amounts for all mine safety violations. The MINER Act established minimum fines for certain violations and kept the maximum fine at \$60,000 (with the exception of the \$220,000 maximum penalty for “flagrant violations”)
- MSHA is expecting to publish the final rule upgrading civil penalty assessments by updating the formulas used to calculate the penalties, by the end of February

MINER Act

Current Activities

■ Mine Communications and Tracking Systems

- MSHA continues work with NIOSH and manufacturers to help them develop safe, reliable systems for mines
- MSHA will expedite the approval process

■ Technical Study Panel on Belt Air and Belt Flammability

- Panel members appointed, first meeting January 9th and 10th, 2007
- Committee will release its findings by December 2007

Supplemental Hiring Update

- MSHA is on target to hire an additional 170 FTE coal enforcement personnel
- To be completed by September 30, 2007
- Funding for these enforcement personnel included in the FY 2008 budget

Thank you!

Questions